

Our principle comment is regarding how the grant program can support a plan for a large scale region, such as Los Angeles County, and how accommodation can be made for various levels of planning and implementation within such a large region (i.e. incorporated cities, unincorporated communities, watersheds overlays, sub-watersheds). We are concerned that if only one application per integrated plan were to cover such a large region, it would put an unwieldy burden on the lead agency and greatly limit the funding potential for effective action. This limiting factor may encourage the development of a patchwork of smaller integrated plans which we believe goes against the guidelines' intent. We would like to see an opportunity for sub-regions to apply for planning and/or implementation grants, and for them to be seen as legitimately competitive for funds if they clearly connect to the larger regional plan. The sub-regions would administer the grant, and coordinate with other grantees within the larger region. This means that the larger region and connected sub-regions could individually apply for and potentially receive grant funding up to the \$50 million cap.

## **Section II INTRODUCTION AND OVERVIEW**

### **B. Maximum Grant Amount**

This section should identify that, for the first funding cycle, a total of \$10 million is available for Planning Grants and a total of \$150 million is available for Implementation Grants.

### **C. Minimum Local Match Requirements**

This section should state that matching funds are from non-State sources.

### **E. Statewide Priorities**

Sixth bullet: Please indicate where the referenced recommendations can be found.

### **F. Geographic Scope**

The remaining 20% of the funding should be clarified as to its purpose and use. Also, need clarification regarding additional geographic distribution factors that may be taken into consideration for the allocation of funding (perhaps examples of such factors could be given).

### **G. Project Solicitation (Implementation Grant Solicitation)**

The first bullet point: Should clarify what is considered as an acceptable form of proof for the formal adoption of an IRWM Plan or direct the applicant to where in the guidelines this information can be found.

## **Section III ELIGIBILITY REQUIREMENTS**

### **A. Eligible Grant Recipients**

Public agencies should be defined as including both local and state agencies. Also, it should be noted that the Step 1 applicant may be a different applicant than in Step 2 so long as it is an agency within the same defined region.

To meet the objectives/intent of the grant, while also decreasing the pressure on one single agency to shoulder all the administrative burden/costs for the entire region, we suggest the following:

All projects within a defined region that are consistent with the IRWM Plan are submitted via one proposal by the lead agency. However, once the proposal is selected and the project list refined, allow the individual agencies to separately contract with DWR or SWRCB in order to administer their respective projects within the overall proposal.

### **B. Eligibility Criteria**

First bullet: Clarify what is an acceptable form of "evidence of compliance".

Second bullet: Senate Bill 1938, Chapter 603, which the Governor ratified on September 15, 2002, indicates that an adjudicated groundwater basin is in compliance with the requirements and guidelines of a Groundwater Management Plan as described in Section 10653.7(a) of the Water Code. This should be indicated as part of this bullet item. In other words, if a project lies within an adjudicated basin, a Groundwater Management Plan is not required and can be substituted with a copy of the Judgment.

Second bullet: Should consider waiving the requirement of an adopted Groundwater Management Plan when extenuating circumstances prevent such a plan from currently being adopted. Instead, the applicant could be required to show that the proposed project is consistent with their Urban Water Management Plan and adopted Integrated Regional Water Management Plan, will improve the condition of the groundwater basin, and is supported by all stakeholders in the region.

### **C. Eligible Proposals/Project Types**

First paragraph: Should state "and/or improve local..." rather than just "and improve local..." for consistency.

Last paragraph: Exclusion of on-stream and off-stream surface water storage facilities for funding should be clarified as follows: 1) allow for reservoir tank storage that does not obtain or inhibit water from a stream or natural waterway source and 2) allow for modifications to existing reservoirs that would augment water supply and groundwater recharge activities. Per our discussions with DWR staff, we understand that modification projects for existing reservoirs that provide these benefits would be considered for funding.

## **Section IV GENERAL PROGRAM REQUIREMENTS**

### **D. Labor Code Compliance**

This section should identify when this requirement is enforced, i.e., at the time of application submission, at contract execution, or prior to construction. Considering many agencies do not have a labor compliance program nor are familiar with how to set up a program, this section should provide direction on where to access helpful information, such as the California Department of Industrial Relations Website or names of agencies that currently have programs. The Labor Code Compliance requirement should be addressed the same for both DWR and SWRCB.

### **E. CEQA Compliance**

This section should clarify the SWRCB and DWR requirements for timing of CEQA compliance. SWRCB requirements should be consistent with DWR requirements, which include a plan for completion at the time of Step 2 application submission.

## **Section V PROJECT SELECTION PROCESS**

### **C. Proposal Submittal**

This section only addresses Step 1. This section should also specifically address the Step 2 application process.

### **F. Review Process**

This section should include more information on how the projects within the overall proposal will be collectively scored (e.g. weighted average according to project costs). A suggestion would be to score the proposal based on only the high-ranked projects. If only one or two are determined to be low ranking, we would not want the entire application downgraded. Please clarify the process you would use if this happens.

Last paragraph: Indicates that the Project Selection Panel has the authority to adjust individual scores to ensure funding is equitably distributed throughout the State. "Equitably distributed" can be subjectively interpreted, and, therefore, should be defined in the guidelines and adhered to by the Project Selection Panel during proposal evaluation.

### **I. Grant Agreement**

Second paragraph: Need clarification regarding costs that are eligible for reimbursement. The first sentence suggests costs incurred prior to the commitment to award may not be eligible for reimbursement, while the third sentence states only work performed after the execution date of the agreement will be eligible for reimbursement. Does this mean that any work performed between the commitment of award and the executed contract is not reimbursable? If this is true, then it may be clearer to reword the first sentence by stating that costs incurred prior to the execution date of the agreement are not eligible for reimbursement.

## **Appendix A IRWM PLAN STANDARDS**

### **C. Objectives**

Rather than requiring that the IRWM Plan "describe the water supplies and demand for a minimum 20-year planning horizon," this section should instead require that the Plan describe how its implementation will minimize the need for imported water.

### **D. Water Management Strategies**

It is not clear as to whether we must consider each and every water management strategy shown and, therefore, be required, for each one we did not use, to explain why that strategy was not used.

Also, it states that strategies to be considered "could" include the ones shown in Table A-1. This implies that other strategies not in the table may be considered. Is this correct?

**For Implementations Grant applications to be considered for funding, the proposed or adopted Plans must meet all of the following minimum standards:**

Second bullet: Need clarification as to what constitutes "statutory authority over water". Perhaps give examples of agencies that would satisfy this requirement.

## **Appendix B PLANNING GRANT**

### **B.1 PROPOSAL CONTENTS - PLANNING GRANTS**

#### **A. Project Title, Administrative Information, Summary and Resolution**

Second paragraph: States that a resolution is to be adopted by the applicant's governing body. Please clarify as to whether the resolution is only to be adopted by the governing body of the lead agency.

## **Appendix C IMPLEMENTATION GRANTS**

### **C.2 EVALUATION CRITERIA – FOR THE IRWM IMPLEMENTATION GRANTS, STEP 1**

This section should address how applications from overlapping regions will be handled/reviewed.

### **C.3 PROPOSAL CONTENTS – FOR IMPLEMENTATION PROJECTS, STEP 2**

#### **A. Project Title, Administrative Information, Summary, and Resolution**

Second paragraph: Refers to the same resolution that was addressed in Appendix B. Does the same adopted resolution need to be submitted in both Steps 1 and 2?

## **Appendix D DEFINITIONS**

**Local Match:** Should mention that project costs incurred after November 5, 2002 may be considered as part of the local match.